GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:550
ANSWERED ON:23.02.2001
DEMAND FOR DISASSOCIATING INDIA FROM WTO
MOHAMMED SHAHABUDDIN

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have received memoranda from the farmers, labourers and small industry owners of several States demanding disassociating India from the World Trade Organization;

(b) if so, the details thereof alongwith the names of States from whom Memoranda have been received;

(c) whether the Government have considered the matters raised in these memoranda;

(d) if so, the details thereof; and

(e) the reaction of the Government thereon?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN)

(a)&(b): There have been representations from a few organisations from different parts of the country for disassociation of India from the WTO mainly on the grounds that WTO agreements have severely constrained domestic policy options and have mainly benefitted the developed countries and the interests of the domestic producers in developing countries have been seriously compromised.

(c) to (e): WTO provides a predictable rule based multilateral trading system which protects the developing countries from the bilateral pressures of the developed trading partners. By virtue of being a member of WTO, India is automatically entitled to get most favoured nation (MFN) and national treatment for its exports.WTO also has a strong Dispute Settlement Mechanism to resolve any disputes between members. Being a fully democratic organisation, with equal voting rights to each member, India is assured of a say in the multilateral rule making process. However, during the implementation of various agreements under WTO, India and many other developing countries have experienced some implementation related problems due to some imbalances in the existing WTO Agreements, and due to non fulfilment of their obligations in letter and spirit by the developed countries. India along with 11 other developing countries have raised these `implementation issues` vide WTO documents No.WT/GC/W354 and 355 dated 11/10/1999. The WTO General Council in its May 2000 meeting, had decided as a part of the confidence building exercise for the developing countries that the implementation related concerns of the developing countries should be addressed as reflected in the work programme of WTO.